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CITY OF LONG BEACH

**CONTRACTING-IN SERVICES REVIEW AND
RECOMMENDATIONS REPORT**

July 11, 2006

**City of Long Beach
Contracting-In Services Review and Recommendations Report**

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1. INTRODUCTION

As defined in previous City Council discussions, contracting-in refers, in general, to the provision of services to other agencies and cities by the City of Long Beach (City). A spirit of entrepreneurship often drives contracting-in initiatives, but the capacity and ability to provide these services ensures success. Success can then be measured by having additional resources to distribute fixed costs and the availability to use these resources as backup in cases of emergency.

This review and recommendations report examines the current services provided and revenue received by the City for services provided to other agencies and cities. In addition, a review is provided of other cities surrounding Long Beach that currently contract for services with other agencies or private contractors. These cities could be potential City customers in the future, should Long Beach have existing capacity to assume additional workload.

A review is provided of several cities in the Bay area that contract-in services or have shared service agreements. Their reasons for moving in this direction vary, but mostly it was by necessity rather than by an entrepreneurial drive. A detailed review of a local city that does have a strong entrepreneurial focus is provided for comparison.

A discussion is presented on the need for developing a sound costing methodology. A review of the Citywide Fee Study recommendations provides a basis to conclude that a sound costing methodology is necessary when computing the cost to provide a service. Using this methodology, the City can be assured that any labor rates or service fees charged to other agencies and cities for City services are sound and consistent.

In addition to developing a sound costing methodology, the City will need to conduct a capacity analysis of City departments, as contracting-in is only a viable endeavor if the City has excess capacity through which contracting-in will help mitigate existing fixed costs. This analysis will evaluate the current services being provided to other agencies and cities and their cost methodologies and billing systems. This analysis will also entail determining each department's ability to handle additional workload to provide outside services. Departments' current productive labor hours would also need to be analyzed to determine the availability, if any, of excess productive hours that can be used to provide additional services to other cities and agencies.

A discussion on the City's existing billing systems is provided with the conclusion that a standard work order and billing system does not exist and may be required depending on the type of services the City may ultimately be providing to agencies and cities.

A review of standard marketing requirements is presented to demonstrate the importance of having a marketing plan that ensures that the City's entrepreneurial direction is focused and clearly understood. However, the decision to move in this direction should only be considered once we have determined that capacity does exist.

A brief review of the legal ramifications is provided; however, it will be necessary to obtain a legal opinion from our City Attorney's Office regarding any new services we may want to provide and any marketing campaigns we may consider initiating.

The review concludes with a summary of recommendations for consideration. These recommendations are listed in a recommended priority order.

2. CURRENT SERVICES AND REVENUES

The City of Long Beach currently contracts-in services that have averaged approximately \$18.2 million in revenue for the last three fiscal years in all funds. This amount, however, includes \$12.0 million received for the provision of refuse services (\$9.3 million), gas services to select cities (\$2.5 million) and water services to select areas (\$326,000).

The remaining \$6.1 million of the \$18.2 million in revenue is received for the provision of various services to other agencies and cities. The highest revenue generator is the Police Department with approximately \$2.9 million in revenue received for providing security services to the Long Beach Community College and other areas, policing services to Long Beach Transit and Los Angeles County's Carmelitos Housing Development, and other services to Federal, State and regional agencies. The Parks, Recreation and Marine Department generates approximately \$698,000 in revenue for providing after school programs to the Long Beach Unified School District and for debris removal on beaches and marinas for Los Angeles County.

Other revenue generators include the departments of Public Works, Health and Human Services and Technology Services. Attachment A provides details on the all the services provided, the agencies receiving the service and the revenues produced.

3. REVIEW OF OTHER CITIES' CONTRACTED SERVICES

Cities That Contract-Out For Services

A recent review of other cities that contract-out for services indicates that many cities surrounding Long Beach seek services the City currently provides. Attachment B details these cities and the services for which they currently contract-out. These cities currently receive services from the City in areas such as animal control, radio equipment maintenance and traffic signal maintenance. At face value, services that could also be provided by the City include:

- Leasing of City facilities or space within those facilities
- Installation of gas infrastructure (pipelines and meters)
- Fuel tank usage
- Animal Control services
- Security services
- Wireless services

- Traffic signal maintenance

Before any discussions with these cities occur, however, an evaluation of our current capacity to provide additional services will be necessary. Without excess capacity, contracting-in is not a viable option.

Shared Service Model

A search for cities that actually provide services with other agencies or cities as shared services uncovered a limited number that have taken this direction. In San Mateo County, however, several contiguous cities have looked at opportunities to develop shared service agreements. The Shared Services Team is made up of staff from Belmont, Daly City, San Carlos, San Mateo and San Mateo county. Their direction is to evaluate previous shared services/consolidation efforts and develop implementation plans. Their focus has been to develop scopes of work for Fleet Services, Street Trees/Medians, Human Resources Training Services, Labor Relations and Workers' Compensation and Benefits Administration.

The City Manager of Menlo Park indicated that the Shared Service Team did a good job in evaluating potential areas for shared services; however, implementation has been slow due to the lack of resources available to develop a Shared Service Implementation Plan. Further research will need to be conducted to develop shared service opportunities by analyzing the most promising partnerships, researching new or existing entities, soliciting buy-in from elected officials and determining the funding amounts and sources of funding to help defray the start-up costs of shared service programs.

There are examples of limited shared service arrangements. The City of Menlo Park has taken a shared service approach to partner with other jurisdictions in order to capitalize on economies of scale, cooperative purchasing agreements and other best practices. As an example, the City of Menlo Park has an arrangement with the City of Palo Alto where they provide cost effective training to each other and is expecting to enter into a shared service agreement for police dispatch services.

Contracting-in

The City of Redwood City has an extensive Training and Development Program that offers courses for their employees that enhance workplace performance and skills. Courses cover such topics as management, communication, computers and Spanish. Employees have first priority for registration and attend all programs free of charge. When capacity exists, seats are offered at a minimal fee to employees from surrounding private and public agencies.

Redwood City also has a Municipal Service Center and Fleet Management Division that maintains their city vehicles and equipment and manages vehicle purchases and replacement. They also contract-in vehicle maintenance services from the Towns of Atherton and Woodside for a combined total of approximately 110 vehicles. Foster City

also receives vehicle maintenance services from Redwood City for their Fire Department equipment.

According to the Fleet Services Manager, Redwood City conducts many productivity analyses of their Fleet Division. This enables them to accurately estimate the availability of excess productive hours for providing services to other cities. If their productive hours are not sufficient to providing services to new customers, they will not accept additional service agreements. Their productivity analysis also assists the Fleet Division in developing their fully burdened labor rate, which ensures that they recover their direct labor and materials costs, as well as indirect overhead costs.

City of Brea's Entrepreneurial Focus

A visit to the City of Brea in March 2005, and a discussion with the Assistant City Manager, Information Technology (IT) Manager, IT Supervisor and the Communications and Marketing Manager resulted in the following information on the City's entrepreneurial focus.

The City of Brea is located in North Orange County and has a population of 42,000. It is a full service general law city with a Council-Manager form of government. It has 375 full-time employees and a general fund budget of approximately \$42 million.

As a city with the same budget challenges as other California cities, Brea includes a different approach to solving budget challenges, namely a culture of entrepreneurship. Their motto, touted by the City Manager's office, is "If it's in Brea, it's for sale".

The City of Brea's first entrepreneurial venture was providing police services to the City of Yorba Linda 35 years ago. In addition to continuing to provide this service, the City also provides Information Technology services to several surrounding cities. Other services contracted-in on a smaller scale include communication and marketing services, print design and duplication services and emergency preparedness training services.

The City's Information Technology (IT) Division, named BreaIT, is a primary area where its external service focus continues to grow. The BreaIT Division was separated into two units several years ago. One unit was created to handle only internal City IT requirements. A second unit was created to service outside customers and has provided outside services since 1993. The Cities of Buena Park, La Mirada, Placentia, La Palma, South El Monte, Temple City, Stanton, and La Canada-Flintridge all contract for IT services from BreaIT.

About four years ago, the City hired an IT Supervisor to manage BreaIT's external unit and to ensure that all outside services were managed according to the contractual agreements. The IT Supervisor ensures that should a new city require services, staffing support is available or new staff is hired. The IT Supervisor also submits Request for Proposals (RFP) as requested by cities soliciting RFPs for IT services. Requesting

cities often generate an RFP to compare the service levels and costs of BreaIT against private service providers.

The City balances the cost of providing services to other cities between the need to recover labor costs plus fringes and the desire to obtain a return on investment. Their return on investment includes labor costs, employee benefits, and administrative overhead. It also includes an increase in the capabilities and specialties of their existing staff. In essence, by increasing their staff's depth of knowledge, the City of Brea will continue to have highly knowledgeable staff to assist it with its own solution requirements.

The city entrepreneurial model is different from the traditional contracting-in, as the city purposely builds excess capacity with which to attract external customers. The city benefits financially (beyond covering its fixed costs) from these contracts, which is a departure from generally accepted practices. Because the discussion of "profit" by a city is a challenge to define and can raise legal issues, the concept of return on investment is used by the City of Brea. Cities that contract with the City of Brea have a comfort level with the City and the issue of distributing Brea's administrative overhead costs to other cities has not been raised. Other cities tend to prefer contracting with Brea because of its inherent stable nature and its exceptional customer care. Ultimately, however, the primary reason for contracting with the city is its competitiveness with the private sector.

The City of Brea also uses a Communications and Marketing Manager to assist the City "sell" its services to other public agencies. The Marketing Manager primarily acts as the City's Public Information Officer and manages the Reprographics Shop. However, when necessary, she also assists with developing strategic marketing plans for city services or with the development of a response to an RFP for services being requested by another city.

In conclusion, the Assistant City Manager emphasized that City Council support is crucial to developing and nurturing an entrepreneurial culture. Being flexible, adaptable, and developing relationships built on trust are necessary towards long-term relationships. In addition, any city considering providing services to other agencies and cities needs to ensure that they are currently providing these services successfully within their own organization.

4. COSTING METHODOLOGY

A consistent costing methodology is crucial to ensure the accuracy of pricing for services provided to other agencies and cities. Such pricing must also identify and capture the service's overhead costs. The final pricing for services should recover 100 percent of the service's direct and indirect costs. However, should a greater public good exist, subsidies for contract costs can be considered by the City Manager and the City Council. City leaders must discuss and acknowledge up front any departure from 100 percent cost recovery.

On June 1, 2004, City Council approved an agreement with Public Resource Management (PRM) to undertake a Citywide Fee Study. This effort was in response to a recommendation of the Budget Oversight Committee to further investigate fees to determine if the City was fully recovering the cost of services through fees and charges, and a request to identify how our fees compared to other jurisdictions. This comprehensive study is intended, through a cost of services analysis, and benchmarking and comparative analysis, to show where the City is currently undercharging for its services and where it might achieve greater cost recovery. Phase One of the project focused on identifying gaps between revenues and expenses in several City areas.

Phase One recommendations to increase fees for General Fund services were presented immediately to the City Council on August 2, 2005 in an effort to address the structural deficit. Seven departments participate in the Fee Study including: the departments of Planning and Building, Health and Human Services, Fire, Parks, Recreation and Marine, Public Works, Police, and Community Development. These organizations were specifically chosen because PRM and City staff believed the services provided by these departments might be the most heavily subsidized.

A major goal of the Fee Study was to establish a clear and consistent methodology for the City to use in computing the cost to provide its services. Using this methodology, the City can be assured that its fees fairly assess the cost of providing services and that the fee setting process is consistent. The recommended methodology, which has been broadly accepted in the public sector, includes the following components:

- Direct Cost - This includes the cost for staff time, direct supervision, equipment, supplies, vehicles, computers, and departmental overhead associated with the service provided.
- Facility Costs - The facility operating and maintenance costs, where appropriate.
- Indirect Cost - Each department's share of indirect cost is calculated annually through the City Indirect Cost Allocation Plan. Examples of indirect costs include the Mayor and City Council, City Attorney, City Auditor, Financial Management and City Manager. Also included are the allocations of department overhead, which would include director and executive staff time and costs.

Once the methodology was established, each department conducted detailed analyses of the amount of time and resources involved in providing fee-related services. As a result, revised fee-levels were established for each service studied and selected fee increases were provided to the City Council for their consideration. In total, \$1,239,000 in estimated annualized revenue from increased fees were adopted by the City Council.

Additional fee changes of approximately \$260,000 were later presented on September 13, 2005 as part of the Fiscal Year 2006 proposed budget. In total, approximately \$1.5 million in additional revenues were realized from Phase One of the Citywide Fee Study.

Phase Two of the Study analyzed the remaining General Fund fee-for-service areas and developed recommendations for increasing the remaining fees that are not fully recovering current costs and where there might be opportunities for greater cost recovery. Phase Two was presented to the Budget Oversight Committee in February 2006 and will be presented to the City Council later in 2006 before the Fiscal Year 2007 budget is adopted.

The importance of a consistent costing methodology ensures that an accurate analysis is conducted when pricing services to be provided to other agencies and cities. The recommended methodology, as discussed above, provides a basis to determine a service's fully burdened rate. However, the final service fees will need to be evaluated against the public value of potentially providing a subsidized rate.

5. CAPACITY OF DEPARTMENTS TO HANDLE ADDITIONAL WORKLOAD

As previously discussed, a more detailed contracting-in and capacity analysis would be required when evaluating the potential for expanding services to existing service recipients and/or expanding services to other agencies and cities. This contracting-in and capacity analysis may entail:

- Requesting departments that currently provided services to other agencies and cities to analyze their services to determine if they are currently providing these services successfully or to identify deficiencies due to funding restrictions or other factors
- Determining which departments need training in understanding and applying the new costing methodology in their analyses
- Requesting that departments use the new costing methodology to conduct a cost analysis of the charges being collected from existing agencies and cities to ensure a full cost recovery or a validation that the charges are competitive
- Requesting that departments conduct an analysis of their productive labor hours to estimate the availability, if any, of excess productive hours for providing services to other agencies and cities
- Requesting that departments determine their management or supervisory capacity for absorbing another program accountability
- Requesting that departments determine the additional investment necessary to be able to provide and absorb a new service

The requirements of conducting a capacity analysis are challenging. Dedicating staff time to conduct this analysis will be more challenging. Absent available staff, hiring additional resources to assist in this effort would be an option.

6. WORK ORDER, AND BILLING AND COLLECTION SYSTEMS

The City currently has an inventory of over 20 work order, and billing and collection systems that are used for a variety of purposes. These systems typically assist in managing workload either by task or inventory by developing billing rates and billing reports. Some systems may be used to develop invoices to charge other agencies or cities. However, not all of these systems have the sophistication of some of the more advanced systems and most are designed for a specific purpose that does not include integration with the City's financial and payroll systems. Furthermore, no matter how advanced the system, the technology is only as helpful and productive as staff tasked to use it. A few of the City's current work order systems are discussed below.

Some of the more advanced systems include the Fleet Services' Maximus M4 Fleet Management system that manages fleet and parts inventory, issues work orders and develops the billing rates for provided services. Departments are generally billed for the cost of fuel, labor and materials, and a replacement cost.

The Departments of Public Works and Parks, Recreation and Marine use the Cityworks System provided by Azteca Systems. The Public Works department handles the maintenance of streets, trees, structural and traffic operations. The Parks, Recreation and Marine department uses Cityworks for Marine Maintenance, Beach Maintenance, and Park Facilities upkeep. The departments use the system to convert requests for service into work orders and assign them to a crew. Labor hours by position and materials are attached to each work order. At some point, the cost per labor and overhead rates will be added.

Finally, there is the Hansen Land Management System currently being installed that will enhance the ability of several departments including Planning and Building, Fire, Health and Human Services, Financial Management and Community Development to do permitting and licensing. This system could also be expanded to include a robust work management system that enables the initiation, tracking and completion of work orders on various assets. These features could also be integrated with a Customer Service module that enables users to check for duplicate calls, schedule inspections, display associated assets, directly add work orders or code enforcement cases, track costs, and track any actions performed to resolve the issue.

A major challenge with some of the advanced systems and even more so with the simpler systems, is that the rates for labor, materials and supplies, equipment and overhead for the services provided have to be manually calculated and input. No direct integration with the City's financial and payroll systems exists, which is a major shortcoming that must be addressed. As a result, a manual production is normally necessary when an invoice needs to be developed to bill another agency or city.

The Department of Technology Services is currently conducting a general assessment of work order systems used in the City. There are a myriad of systems being used by the City; identifying a centralized system that can handle most work order requirements may be in the City's best interest. This direction will also assist in determining if a standard solution is available for most departments and will help prioritize existing systems that may need to be further developed or decommissioned.

7. MARKETING CONSIDERATIONS

A Marketing Plan is generally a highly detailed, heavily researched document that would be evaluated by individuals inside and outside the organization. It is an essential document for a large organization planning to market a new or existing product or service. Essentially the Marketing Plan:

- Induces the marketing staff to look externally in order to fully understand the market in which they operate
- Assesses the entity's ability to successfully deliver services being marketed
- Sets future goals and provides direction for marketing efforts that everyone within the organization should understand and support
- Can be a key component in obtaining funding to pursue new initiatives

The Marketing Plan is generally undertaken for one of the following reasons:

- It is needed as part of the yearly planning process within the marketing functional area
- It is needed for a specialized strategy to introduce something new, such as a new service, entering new markets, or trying a new strategy to fix an existing problem
- It is a component within an overall business plan

There are many ways to develop and format a marketing plan. Typically, however, a marketing plan can include the following sections:

1. Executive Summary
2. Current Situation
3. Competitor and Issue Analysis
4. Marketing Objectives
5. Marketing Strategies
6. Implementation and Action Plans
7. Marketing Budget
8. Evaluation of Results

The development of a marketing plan would ensure that any direction and rationale to offer services to other cities would be focused and comprehensible. A level of expertise and commitment would be required to develop a marketing plan that would meet the marketing needs of the City. As such, a potential direction would be to hire an expert with experience in developing marketing plans.

8. A BRIEF REVIEW OF THE LEGAL RAMIFICATIONS

Preliminary discussions with the City Attorney's Office indicate that current law provides some opportunities for providing services to other cities. However, this direction will require a formal legal opinion before specific service agreements are finalized.

California cities are limited in their functions and powers to those that are governmental, which serve a public purpose. Activities that serve a public purpose are generally limited to those that benefit the health, safety and welfare of the public.

Cities can also act in a propriety capacity if there is no private enterprise to provide the services or activities requested by the public. When acting in this propriety capacity, a city must not actively compete with the private sector. Case law does not define what "actively compete" means and therefore opportunities would have to be evaluated on a case-by-case basis, just as the courts would do.

The criteria used in the case-by-case analysis evaluates:

- Whether local government historically provided the activity or service
- Whether the activity is done solely to obtain revenue or make a profit (return on investment)
- Whether the activity could or could not be performed by the private sector
- Whether the activity is primary or secondary to a public purpose

Another approach takes the position that if a city is a self-supplier of services, then it is not objectionable to allow the city to perform those same services for the private sector even if so doing puts the city in competition with the private sector. In this situation, a city is not initiating a new service for the purpose of obtaining revenue or making a profit, but is merely extending a service to another entity that the city already performs to meet its governmental functions.

A cautionary flag is raised when a city provides services to the private sector or to private individuals. In the example of reprographic services, the city provides services to all city departments and is, therefore, self supplying these services. Extending these services to the private sector should be legally permissible as long as the city does not increase staff or equipment or actively market their services to the private sector. Non-profit organizations are considered part of the private sector and should be treated as such.

As previously noted, a formal opinion from the City Attorney's Office is recommended to determine the types of services and the type of customers available to the City. Obviously, the City Attorney's Office will also be involved in developing cooperative service agreements.

9. SUMMARY OF RECOMMENDATIONS

A continued analysis would be necessary to evaluate the economic feasibility of continuing existing services being contracted-in as well as the potential for expanding City services to existing service recipients and/or expanding City services to other agencies and cities. In addition, the City would need to ensure that the current services are being provided successfully within our own organization before considering providing services to other agencies and cities.

A recommended first step is to conduct a contracting-in and capacity analysis that will:

- Institutionalize and apply the new costing methodology in costing analyses
- Analyze the services currently being provided to other agencies and cities and within the City to determine how successful we are in providing these services and to identify deficiencies due to funding restrictions or other factors
- Conduct an analysis of the cost for providing services to existing agencies and cities using the recommended costing methodology
- Conduct an analysis of productive labor hours to estimate the availability, if any, of excess productive hours for providing services to other agencies and cities
- Create a rate structure to be used in negotiating contracts for contracting-in that is simple to administer, and relies on negotiated fees rather than actual costs per transactions
- Determine departments' capacity for absorbing another program accountability

To reiterate, the requirements for conducting a capacity analysis are challenging and identifying dedicating staff time to conduct this analysis will be difficult. Absent available staff, hiring additional resources to assist in this effort would be an option.

A second recommendation is to work with the City Attorney's Office to determine the types of services and the type of customers available to the City. As we develop opportunities, the City Attorney's office can opine whether our direction is legal.

The third recommendation is to support the Department of Technology Services' efforts to conduct a general assessment of work order systems used in the City to determine if a centralized system to support most work order requirements exists. This direction will assist in determining if a standard solution is available for most departments and will help prioritize existing systems that may need further development.

The fourth recommendation is to develop a marketing plan that would ensure that any direction and rationale to offer services to other cities would be focused and comprehensible. This recommendation should not be implemented until the previous recommendations are completed. A level of expertise and commitment will be required to develop a marketing plan that will meet the marketing needs of the City. Therefore, contracting with an expert that has experience in developing marketing plans is recommended.

CITY OF LONG BEACH CONTRACTING-IN SERVICES SUMMARY

Attachment A

DEPARTMENT	AGENCY	SERVICE	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	3 YR AVG
Community Development	AppleOne Employment Services	Leasing of space at Career Transition Center	25,434	25,434	25,434	35,667	45,900	45,900	42,489
	Calif. Employment Development Dept.	Leasing of space at Career Transition Center	111,180	111,180	111,180	111,180	114,172	118,361	114,571
	Casey Family Programs	Leasing of space at Youth Opportunity Center	-	-	-	5,250	-	-	1,750
	Foster Assessment Centers	Leasing of space at Career Transition Center	35,516	35,516	35,516	35,516	32,317	16,320	28,051
	Los Angeles County	Leasing of space at Youth Opportunity Center	-	-	-	-	-	12,000	4,000
Energy	Rivers and Mountains Conservancy	Real Estate and Administrative Assistance	-	-	-	-	-	3,500	1,167
	Starview Family Services, Inc.	Employment Services for Emancipating Foster Youth	-	-	-	-	24,020	-	8,007
	Construction Contractors	Welding Certification Services	-	-	1,600	2,500	3,800	2,400	2,900
		Installation of Gas Services (Pipeline/Meters)	-	-	537,301	555,298	474,621	483,040	504,320
	City of Signal Hill	Fire Service	1,100,000	1,100,000	1,100,000	1,528,331	173,010	-	567,114
Fire	County of Orange	Firefighter Training	-	47,287	-	-	-	-	0
	Long Beach Community College	Instructional Services for City Employees	-	90,000	150,000	255,000	168,890	188,658	204,183
	City of Los Angeles	Regional Training Support	-	-	-	-	-	-	0
	Catholic Healthcare West	Leasing of clinic space at West Facilities Center	-	-	-	40,000	25,428	-	21,809
	City of Signal Hill	Licensing of Hazardous Waste Facilities	47,274	51,587	45,841	49,363	-	-	16,454
Health and Human Services	Cities of Signal Hill, Cerritos, Seal Beach and Los Alamitos	Animal Control	197,860	219,896	273,318	278,334	306,517	384,775	323,209
	Counties of Riverside, San Bernardino and LA; LBUSD; CSULB; UCI; UCSD; and, Non-Profit Clinics in So Cal and Clark County, NV	Public Health Clinical and Lab Services	21,489	77,200	176,512	165,748	138,197	110,663	138,203
	Long Beach Unified School District	21st Century Community Learning Center - Winners Reaching Amazing Potential Program (After-School Recreation Programs)	-	-	12,750	39,998	92,486	746,409	292,964
	Los Angeles County	Debris Removal on Beaches and Marinas (Partial reimbursement of cost)	-	500,000	500,000	500,000	250,000	436,009	395,336
	YMCA	After-School Recreation Program - Teen Asset Institute	-	-	-	30,000	-	-	10,000
Parks, Recreation, and Marine	Long Beach Unified School District	Environmental Impact Review Services	-	15,000	-	-	-	-	0
	City of Signal Hill and Los Alamitos, CHP, and LBUSD	Pistol Range (Los Alamitos added in FY 05)	11,550	6,900	12,000	9,050	17,950	22,900	16,633
	City of Signal Hill	Computer Aided Dispatch/Records Management	93,500	80,000	79,639	57,098	58,638	68,335	61,357
	Federal Bureau of Investigations	South Los Angeles County Violent Crime Task Force	-	Cost of OT	-	-	4,062	31,283	11,782
	Los Angeles County	Joint Anti Terrorism Task Force	-	-	4,096	7,057	9,206	16,787	11,017
Police	LA Interagency Metropolitan Police Apprehension and Crime Task Force	Carmelitos Policing Contract	272,000	395,320	314,470	373,020	318,276	277,500	322,932
	Long Beach Community College	Narcotics Task Force Participation	-	140,000	110,422	45,623	44,924	38,610	43,052
		Instructional Services for City Employees	-	75,000	182,981	286,358	255,292	314,959	285,536
		Psychological Testing	-	-	250	-	-	-	0
		Security Services	-	-	-	-	1,162,421	1,657,692	940,038
Police	Long Beach Towne Center	Security Services	-	-	-	24,384	118,086	85,281	75,917
	Long Beach Transit	Long Beach Transit Policing Contract	405,500	519,160	510,215	571,290	633,139	612,249	605,559
	Long Beach Unified School District	Psychological Testing	1,500	2,000	250	500	-	-	167
		School Resource Officers	-	399,620	381,117	372,025	390,513	403,540	388,693
	Regional Auto Theft Prevention Task Force	Regional Auto Theft Prevention Task Force (TRAP)	-	128,500	173,789	186,307	221,281	207,401	204,996
Police	US Dept. of Customs	Participation in US Customs Task Force (Overtime)	-	13,000	10,361	15,384	19,392	3,890	12,889
		Participation in Organized Crime Drug Enforcement	-	9,000	8,498	-	-	-	0
	US Secret Service	Participation in International Fraud Task Force	-	-	-	13,604	3,085	-	5,563

DEPARTMENT	AGENCY	SERVICE	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	3 YR AVG
	Woman's Shelter of Long Beach	Detective Response for Domestic Violence Service Calls	-	-	18,000	18,000	-	-	6,000
	Cal Trans	Traffic Control Service During 7:10 Fwy Improvements	-	20,000	Cost of service	-	-	-	0
	Cal Trans	Road Maintenance	14,000	14,000	13,100	-	-	-	0
	Cal Trans and Several Adjacent Cities	Traffic Signal Maintenance	172,000	172,000	132,000	109,570	113,075	106,373	109,673
	City of Seal Beach	Parking Meter Collection and Maintenance	12,000	12,000	12,000	12,000	12,000	12,000	12,000
	El Dorado Food Service	Carpet Cleaning	-	3,000	-	-	-	-	0
	Daugherty Sky Harbor Assoc.	Airport Ramp Sweeping	-	-	3,380	3,380	1,105	-	1,495
	City of Signal Hill and State of California	Street Sweeping	110,000	127,000	137,000	143,687	136,054	75,734	118,492
	Long Beach Unified School District	Fuel Tank Usage	13,647	14,600	18,225	24,634	20,569	29,280	24,828
	State of California	Recycling Market Development Zone Program Admin	-	80,000	90,000	73,552	95,691	90,113	86,452
	Taxi Cab, Ambulance and Tow Truck Companies	Vehicle Inspection Services	3,000	-	15,300	13,950	14,475	19,025	15,817
	City of Cerritos, St. Mary's Medical Ctr., LB Transit, LBCC, and LBUUSD	Radio Equipment Maintenance (LBUUSD added in FY 05)	18,400	27,500	17,575	17,200	17,200	46,842	27,081
Technology Services	Cities of Signal Hill and Cerritos, LBCC, LBUUSD, LB Transit, St. Mary's Medical Ctr. and SCE	Radio Tower Service (Cerritos added in FY 05)	71,400	71,400	81,000	81,000	88,413	90,481	86,631
	Long Beach Transit	Telephone Maintenance and Repair	6,178	6,178	6,178	6,178	6,178	-	4,119
	Various Agencies	Water Quality Laboratory Testing	-	15,000	15,000	15,000	-	-	5,000
Water	Water Replenishment District of So Cal	Operations of Alamitos Seawater Barrier Treatment Plant	-	250,000	-	-	-	-	0
		SUB-TOTAL:	\$2,743,428	\$4,854,278	\$5,316,298	\$6,112,036	\$5,610,383	\$6,758,310	6,160,243

Utilities

	Multiple Municipalities in LA and OC	SERRF (Jurisdiction Refuse Disposal)	7,293,000	7,293,000	-	8,016,000	8,862,825	8,442,092	9,208,735
Energy	Calif. Dept. of Justice and US Customs	Drug Burns (SERRF)	-	Unknown	57,000	57,000	57,000	87,000	67,000
	Cities of Signal Hill, Compton, Lakewood, Paramount, Los Alamitos and Los Angeles	Gas Services	-	7,500	1,313,906	2,143,864	2,495,832	2,725,325	2,455,007
	City of Hawaiian Gardens	Water Services	-	-	10,000	10,000	5,000	13,716	9,572
	City of Lakewood	Water Services	-	-	2,000	2,000	1,000	8,500	3,833
	City of Los Alamitos	Water Services	-	-	-	-	-	28,250	9,417
	City of Paramount	Water Services	-	-	-	-	-	33,407	11,136
Water	City of Signal Hill	Water Services	-	-	-	-	-	4,468	1,489
	Los Angeles County Island	Water Services	-	150,000	150,000	200,000	100,000	209,677	169,892
	Lakewood Country Club	Reclaimed Water Services	-	-	59,548,906	170,000	85,000	108,512	121,171
		SUB-TOTAL:	\$7,293,000	\$7,450,500	\$9,548,906	\$12,904,152	\$11,606,657	\$11,660,947	12,057,252

GRAND TOTAL:

			\$10,036,428	\$12,304,778	\$14,865,204	\$19,016,188	\$17,217,040	\$18,419,257	18,217,495
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Note:

1. The Fire Department exchanges services with the following agencies: California Paramedic Institute, El Camino Community College, NorthStar Emergency Medical Academy, and the Regents of University of California.

Artesia (15.7 Miles)

* Animal control – LA County
Fire Services – LA County Fire Department
Police Services – LA County Sheriff's Department
Public Works Services – Various companies
Refuse Services – Consolidated Disposal
Street Light Repairs – Southern Cal. Edison
Street Sweeping – Dickson Street Sweeping
Tree Trimming – Bid Out to Private Companies As Needed

Bellflower (12.8 Miles)

Traffic Signal Maintenance on Shared Intersections – CLB
All service craft industries contracted out
* Animal control – Southeast Area Animal Control Authority (SEAACA)
Central, Local & Fire Alarm Services – Taylor Security
Fire Services - LA County Consolidated Fire Protection District
Police Services – LA County Sheriff's Department
* Radio Maintenance – Vance electronics
Refuse Services – CR&R Waste and Recycling Services
School Crossing Guards – All City Management Services, Inc.
Street Light Repairs – GTE
Street Sweeping – Dickson Street Sweeping
* Traffic Signal Maintenance – City of Santa Fe Springs
Tree Trimming Services – West Coast Arborist Inc.
Telephone Services – Private Company

Carson (8.4 Miles)

Traffic Signal Maintenance on Shared Intersections – CLB
* Animal Control – LA County
Fire Services - LA County Consolidated Fire Protection District
* Police Services – LA County
* Parking Enforcement – ETECH
Refuse Services – Waste Management
Security Services – Central Parking
Street Light Repairs – LA County and Republic Electric
Street Median Maintenance - Swayzer's Inc.
Street Sweeping Parking Enforcement - International Services
Street Sweeping – Nationwide Environmental
Telephone Internal Services – SBC
* Traffic Signal Maintenance – Republic Electric
Tree Trimming – Great Scott Tree Services

Cerritos (16.1 Miles)

Animal Control - CLB
Radio Equipment Maintenance – CLB
Fire Services - LA County Consolidated Fire Protection District
Police Services – LA County Sheriff's Department
Refuse and Recycling Services – CalMet Services, Inc.
Street Sweeping – Dickson Street Sweeping

Compton (10.5 Miles)

Traffic Signal Maintenance on Shared Intersections - CLB
Gas Services - CLB
Air Conditioning Services Major Repairs - Private Company
* Animal Control - Los Angeles County
Custodial Services - Three private companies
Overnight Security Services - Private Company
Police Services - Los Angeles County Sheriff's Department
* Radio Equipment Maintenance - Private Company
Refuse Services - Waste Management
Street Sweeping - Private companies brought in cases of emergencies
Telephone Repair Services - SBC
Tree Trimming and Landscaping Services - In Bid Process

Cypress (13.5 Miles)

Traffic Signal Maintenance on Shared Intersections - CLB
* Animal Control - County of Orange
Computer Aided Dispatch - West Communication Services
Fire Services - Orange County Fire Authority
Refuse Services - Briggeman Consolidated Disposal
Telephone Major Repairs - Global CTI
* Traffic Signal Maintenance - Republic Electric (Signal Maintenance)
Water Services - So. Cal. Water Company

Gardena (13.3 Miles)

* Animal Control - Los Angeles County Department of Animal Care & Control
Fire Services - LA County Consolidated Fire Protection District
Refuse Services for Residents - Waste Management
Refuse Services for Businesses - Waste Resource of Gardena
Tree Trimming - Trimming Land Company

Hawaiian Gardens (15.6 Miles)

100% Traffic Signal Maintenance - CLB
* Animal Control - Southeast Area Animal Control Authority (SEAACA)
Building Inspection Services - Willdan Associates
Fire - LA County
Information Technology Services - Various Private Consultants
* Parking Citations Processing - Enforcement Technology, Inc.
Police Services - Los Angeles County Sheriff's Department
Refuse - Consolidated Waste Management
Street Light Repairs - So. Cal. Edison
Street Sweeping - Nationwide Environmental Services
Tree Trimming - Harnish Tree Services
Telephone Repairs Internal - SBC
Water Services - So. Cal Water

Lakewood (9.5 Miles)

Traffic Signal Maintenance on Shared Intersections - CLB

Gas Services - CLB

Water Services – CLB

Ambulance Services - County of Los Angeles Contractor

* Animal Control - Southeast Area Animal Control Authority (SEAACA)

Building Inspection Services – LA County

Fire and Paramedic Services - Los Angeles County Fire Department

Library Services – LA County

Police Services – LA County Sheriff's Department

Refuse Services - BZ Disposal

Street Light Repairs - City Light and Power (a private company) & the Edison Co.

* Street Sweeping – Dickson Street Sweeping

Tree Trimming – West Coast Arborists, Inc.

* Vector Control – The Greater Los Angeles Vector Control District

Water Services - Southern California Water Company (a private water company), serves residents who live east of the San Gabriel River.

Lomita (9.4 Miles)

* Animal Control – LA County

Building & Safety – LA County

Fire & Paramedic Services – LA County

Library Services – LA County

* Parking Citation Processing – Out to Bid

Police - LA County Sheriff's Department

Refuse Services – CalMet Services

Street Signal and Light Repairs – Cal Trans

* Street Sweeping – Dickson Street Sweeping

Telephone Repairs Internal – SBC

Tree Trimming – West Coast Arborists, Inc.

Vector Control - LA County Sheriff's Department

Los Alamitos (10.1 Miles)

Animal Control Services - CLB

Gas Services – CLB

Fire - OCFA

Building Inspection Services – Willdan Associates

* Signal Light Repairs – Republic Electric

Street Light Repairs - Southern California Edison

Information Technology Services – City of Brea

Telephone Repairs Internal - Verizon

Paramount (10.8 Miles)

Gas Services – CLB

Ambulance Services – County of Los Angeles Contractor

* Animal Control - Southeast Area Animal Control Authority (SEAACA)

Engineering – Willdan Associates

Paramount (continued)

Fire Services - LA County Consolidated Fire Protection District
Information Technology Services – Mostly done in-house but LAN and software upgrades contracted out
Library Services – LA County
Plan Checks – Certified Building Inspectors, Inc.
Police Services - Los Angeles County Sheriff's Department
Refuse Services – Calmet
* Signal Light Repairs - City of Santa Fe Springs
Street Light Repairs - Southern California Edison
Street Medians, Pocket Parks and Setback Areas - Tru Green
Street Sweeping – California Street Maintenance
Telephone Repairs Internal – KTS Inc.
Tree Trimming – West Coast Arborist, Inc.
Vector Control – LA County

Rolling Hills Estates (10.4 Miles)

* Animal Control – LA County
Ambulance Services – WestMed (County Contractor)
Building Plan Checks – Residential: LA County, Commercial: Willdan Associates
Engineering Services – LA County and Willdan Associates
Fire Services - Los Angeles County Fire District
Information Technology Services – PV On the Net (Software and Hardware Maintenance)
Library Services – Palos Verdes Library District
* Parking Citation Processing – Private Company
Police Services - Los Angeles County Sheriff's Department
Refuse Services – Consolidated Waste Management
Signal Light Repairs – Signal Maintenance, Inc.
Street Light Repairs – Signal Maintenance, Inc.
Street Maintenance – LA County does routine work (e.g. patching potholes, curbs gutters)
Street Medians - BMC Landscaping
Street Sweeping Services – Nationwide Environmental Services
Telephone Repairs Internal – Private Company
Tree Trimming Services – West Coast Arborist
Vector Control – The Greater Los Angeles Vector Control District

Seal Beach (7.8 Miles)

Animal Control – CLB
Parking Meter Collection and Maintenance – CLB
Ambulance Services – Orange County Fire Authority (OCFA)
Attorney Services – Richard, Swatson, & Grishon
Building and Safety - Charles Abbott Associates, Inc.
Custodial Services – Royal Crust
* Code Enforcement – Charles Abbott Associates, Inc.
Engineering Services – Varies
Fire Services – OCFA
Information Technology Services – CueCore Computer Services
Jail Security and Management – Correctional Systems, Inc.
Landscaping – Mariposa Landscaping
Landscaping Contract Oversight – Charles Abbott Associates, Inc.

Seal Beach (continued)

Library Services – Orange County Library System
* Parking Citation Processing – Turbo Data Systems, Inc.
Parking Lot Management Services - AMCO
Planning Services –Hogle-Ireland Inc. for Large One-time Projects Refuse Services –
Briggman Services
Sewer Pump Station Maintenance - JIMMNI
* Signal Light Repairs – Peek Signal Maintenance, Inc.
Street Light Repairs - Southern California Edison
* Street Sweeping – Dickson Street Sweeping
Telephone Repairs Internal – CueCore Computer Systems
Tree Trimming Services – Great Scott Tree Service, Inc.
Vector Control – Orange County
Water & Sewer – AKM Consulting Engineers

Signal Hill (3.9 Miles)

Animal Control – CLB
Computer Aided Dispatch/Records Management – CLB
Gas Services – CLB
Pistol Range – CLB
Radio Tower Service – CLB
Street Sweeping - CLB
Traffic Signal Maintenance – CLB
Ambulance Services – LA County
Attorney Services – Aleshire, Winder & Associates
Custodial Services – Advanced Building Maintenance
Engineering Services – RKA Civil Engineering
Fire Services – Los Angeles County
Information Technology Services – Greyhound Computers
Landscaping Services – Valley Crest and Proscape Services
Plan Check Services - Melad & Associates
Refuse Services - Signal Hill Disposal
Street Light Repairs – So Cal Edison
Telephone Repairs Internal - Siemens
Tree Trimming Services – West Coast Arborist
Underground Storage Tanks – Los Angeles County Department of Public Works.
Vector Control – LA County

Torrance (15.1 Miles)

Vector Control – LA County West Vector Control District
Water Utility Billing – Private Company
Street Light Repairs – So Cal Edison
Tree Trimming Services - Private Contractor for Specialized Projects
Graffiti control – Private Contractor

Westminster (13.6 Miles)

Animal Control – Done in-house but use OC Humane Society as Shelter Facility
Fire and Ambulance Services – Orange County Fire Authority
Parking Citation Processing – Pticket.com

Westminster (continued)

* Radio Tower Services for Police – Private Company
Refuse Services - Midway City Sanitary District
Street Lights – Southern California Edison
Street Sweeping – Dickson Street Sweeping
Traffic Signal Maintenance – Shared Intersections with Surrounding Cities
Tree Trimming and Landscape Services – West Coast Arborist & Midori Gardens

Long Beach City College

Fire Instructional services for City employees and Students - CLB
Police Instructional services for City employees and Students - CLB
WIC Dietetic Students Internship with City - CLB
Parking Enforcement and Emergency Security Services - CLB
Radio Equipment Maintenance - CLB
Radio Tower Service – CLB
Auditors – Moss-Adams, LLP & Others
Attorneys – Public Agency Law Group, Ardon, Yoss, Alvarado & Smith & others
* Construction Inspections – Joyce Inspection Services
* Construction Materials Testing – Twining Laboratories
Construction Projects – All bid out
Copier Equipment Leases - Xerox
* Engineering Services & Architects – P2S Engineering Services, Gonzalez-Goodale, Martinez Architects, Rachlin, and others
Environmental Services – Out to Bid
Refuse Services – Waste Management
Software Services – People Soft
Tree Trimming – Private Company
Vehicle Leasing and Maintenance Agreement – Enterprise Rent-a-Car

California State University, Long Beach

Public Health Clinical and Lab Services – CLB
* Construction Inspections on Large Projects – Sourced Out for Each Project
Copier Equipment Maintenance – Konica
Custodial Services – Diamond Contracting used as Supplemental Contractor
Hazardous Waste Removal Services – Industrial Waste Utilization
Refuse – Signal Hill Disposal
Tree Trimming – Supplemental contractors used by projects basis
* Parking Citation Processing – Phoenix Group Info Systems

*** Notes:**

- o Noted Cities may be potential candidates for City of Long Beach provided services.
- o City Attorney support and further study will be necessary to determine the City's ability to actively pursue these candidates.
- o The capacity of each of the City of Long Beach service areas will need to be evaluated to ensure that the City's current service demands are not impacted if contracted services are provided to other cities and/or local colleges.